authority in 2005. Under IPI Gas pipeline project, 60 MMSCMD of gas is proposed to be supplied in Phase-I, to be shared equally between India and Pakistan. 90 MMSCMD of gas is likely to be supplied in Phase-II. The total capacity of the proposed TAPI gas pipeline project is about 40-70 MMSCMD, as per earlier estimates.

Subsidy on cooking gas

3068. SHRI RAJKUMAR DHOOT:
SHRI RAHUL BAJAJ:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state the reasons for not excluding the above poverty level households from subsidies on cooking gas?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL): While abolishing the Administered Pricing Mechanism (APM) effective 1st April 2002, the Government had decided that pricing of all other petroleum products, except PDS Kerosene and Domestic LPQ would be determined by market factors. In order to provide Kerosene and LPG at affordable prices, the Government formulated subsidy schemes which are in operation since April 2002.

The prices of Domestic LPG and PDS Kerosene, which are considered as common man's fuels, have not been increased since November, 2004 and March, 2002 respectively.

However, in view of the steep increase in international oil prices since 2004, the Government has taken a conscious decision not to pass on the burden of the increase in international oil prices to the consumers. To deal with the steep escalation in international oil prices, the Government has adopted the principle of'equitable burden sharing' between the Government, the oil PSUs and the consumers so as to protect the interests of the common man as also the financial health of the OMCs (Oil Marketing Companies). The Government has issued Oil Bonds and the Upstream Oil Companies have contributed by offering price discounts on crude oil and petroleum products, to partially compensate the under-recoveries of the OMCs.

Gas supply contract with RIL

3069. SHRI NAND KISHORE YADAV:
SHRI AMAR SINGH:

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

whether Government has examined the provisions of the gas supply contract signed by Reliance Industries Ltd. (RIL) with Reliance Natural Resources Ltd. (RNRL) on 12 January, 2006 pursuant to a Scheme of Arrangement approved by the Bombay High Court on 9 December, 2005;

if so, the details thereof;

whether RIL has agreed to supply Natural Gas to RNRL under production sharing contract (PSC) or any part of the natural gas of Government or other contractors; and

the rationale in different stances taken by Government while dealing with the two court cases *viz* NTPC-RIL and RNRL-RIL?